

News Release

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MARKET SHOWS RESILIENCE WITH INCREASED SALES

London, ON -October 5, 2024 – The London and St. Thomas real estate market has shown encouraging signs of growth and stability in October 2024. Sales activity notably increased, with 661 transactions recorded, up from 526 in October 2023. This represents a significant recovery from the previous year and highlights the market’s resilience. The average price of \$623,189 for the LSTAR region was up 0.3% from October 2023 and down 3% from last month’s \$641,583.

New listings remained strong, with 1,388 new properties entering the market, slightly down from 1,415 in October 2023 but still reflecting a healthy supply of homes for potential buyers. This level of new listings is one of the highest in the past decade, indicating robust seller confidence.

In October 2024, new listings increased by 10.2%. According to the Canadian Real Estate Association (CREA), a sales-to-new-listings ratio between 40% and 60% indicates a balanced market. LSTAR's ratio year to date is 46.5%. This suggests that the market is stable, with a healthy balance between the number of homes being sold and the number of new listings.

LSTAR Chair Kathy Amess commented on the market trends: "The increase in sales activity and the steady number of new listings are very encouraging. It shows that our market is adapting well to current economic conditions. The availability of more active listings is a positive development, providing buyers with more choices and helping to balance the market."

The table below displays October average prices and MLS® HPI Benchmark Prices in LSTAR's main regions supplied by the Canadian Real Estate Association (CREA).

AREA	OCTOBER 2024 MLS® HPI BENCHMARK PRICE	OCTOBER 2024 AVERAGE PRICE
Central Elgin	\$639,200	\$704,179
London East	\$490,800	\$482,894
London North	\$703,900	\$709,361
London South	\$625,000	\$681,182
Middlesex Centre	\$850,500	\$843,289
St. Thomas	\$561,800	\$556,623
Strathroy-Caradoc	\$782,600	\$663,786
LSTAR	\$608,500	\$623,189

The HPI benchmark price reflects the value of a “typical home” as assigned by buyers in a certain area based on various housing attributes, while the average sales price is calculated by adding all the sale prices for homes sold and dividing that total by the number of homes sold. The HPI benchmark price is helpful to gauge trends over time since averages may fluctuate by changes in the mix of sales activity from one month to the next.

The following table displays October benchmark prices for all housing types within LSTAR's jurisdiction and shows how they compare with those recorded in the previous month and three months ago.

Overall, while some categories have seen slight declines, the increase in two-storey homes and apartments indicates areas of growth and resilience in the market.

Amess further added, “We are optimistic about the future. We haven't had time for the marketplace to realize the full effects from the Bank of Canada rate decrease last month so we look forward to seeing where things go in the next while. October does indicate that we are heading in the right direction.”

MLS® HOME PRICE INDEX BENCHMARK PRICES			
Benchmark Type	October 2024	Change over September 2024	Change over July 2024
LSTAR Composite	\$608,500	-0.5%	-1.9%
LSTAR Single-Family	\$655,400	-0.7%	-1.5%
LSTAR One Storey	\$584,300	-3.2%	-4.9%
LSTAR Two Storey	\$712,900	1.2%	1.1%
LSTAR Townhouse	\$487,300	-1.8%	-5.1%
LSTAR Apartment	\$412,300	4.2%	-2.1%

The table below shows the most recent HPI benchmark prices across Canada.

AREA	MLS® HOME PRICE INDEX BENCHMARK PRICE – OCTOBER 2024
Oakville-Milton	\$1,219,600
Greater Vancouver	\$1,172,200
Greater Toronto	\$1,060,300
Mississauga	\$1,048,800
Fraser Valley	\$971,700
Victoria	\$871,700
Hamilton-Burlington	\$820,800
Barrie & District	\$785,100
Guelph & District	\$799,200
Cambridge	\$738,400
Kitchener-Waterloo	\$713,800
Brantford Region	\$676,000

Ottawa	\$639,500
Niagara Region	\$638,500
Woodstock-Ingersoll	\$666,000
London St. Thomas	\$608,500
Calgary	\$577,700
Huron-Perth	\$587,500
Windsor-Essex	\$582,800
Halifax-Dartmouth	\$539,200
Montreal	\$544,300
Saskatoon	\$402,600
Edmonton	\$396,800
Winnipeg	\$361,400
St. John's, NL	\$338,800
CANADA	\$707,700

According to a recent study by Altus Group, an average housing transaction in Ontario generated an average of \$88,966 in spin-off spending per transaction from 2020 to 2022. These expenses include legal fees, appraisers, moving costs, new appliances, and home renovation expenses.

Employment resulting from home sales is also significant, according to the Altus study. Resale housing activity created an estimated 106,565 jobs annually in Ontario from 2020 to 2022. Jobs include manufacturing, construction, finance, and insurance.

The London and St. Thomas Association of REALTORS® (LSTAR) exists to provide its REALTOR® Members with the support and tools they need to succeed in their profession. As one of Canada's largest real estate associations, LSTAR serves and represents over 2,300 REALTORS® who are working in Middlesex and Elgin Counties, a trading area of more than 500,000 residents. LSTAR adheres to a Quality of Life philosophy, supporting growth that fosters economic vitality and is a proud participant in the REALTORS Care Foundation's Every REALTOR™ Campaign. LSTAR provides housing opportunities, respects the environment, and builds good communities and safe neighbourhoods.

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